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| APPLICATION NO. | FILING DATE | FIRST NAMED INVENTOR | ATTORNEY DOCKET NO. | CONFIRMATION NO. |
|-----------------|-------------|----------------------|---------------------|------------------|
| 09/870,142      | 05/30/2001  | Steven B. Smith      | 9311.17             | 4558             |

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KIRTON AND MCCONKIE  
1800 EAGLE GATE TOWER  
60 EAST SOUTH TEMPLE  
P O BOX 45120  
SALT LAKE CITY, UT 84145-0120

EXAMINER

HARBECK, TIMOTHY M

ART UNIT

PAPER NUMBER

3628

DATE MAILED: 03/29/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

|                              |                    |              |  |
|------------------------------|--------------------|--------------|--|
| <b>Office Action Summary</b> | Application No.    | Applicant(s) |  |
|                              | 09/870,142         | SMITH ET AL. |  |
|                              | Examiner           | Art Unit     |  |
|                              | Timothy M. Harbeck | 3628         |  |

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

#### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

#### Status

- 1) ☒ Responsive to communication(s) filed on 30 May 2001.
- 2a) ☐ This action is **FINAL**.                      2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

#### Disposition of Claims

- 4) ☒ Claim(s) 1-21 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-21 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

#### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 30 May 2001 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

#### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

#### Attachment(s)

- |   |  |
|---|--|
| <p>✓ 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)</p> <p>2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)</p> <p>✓ 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)<br/>Paper No(s)/Mail Date <u>5/30/2003</u></p> | <p>4) <input type="checkbox"/> Interview Summary (PTO-413)<br/>Paper No(s)/Mail Date. _____</p> <p>5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152)</p> <p>6) <input type="checkbox"/> Other: _____</p> |
|---|--|

## DETAILED ACTION

### *Claim Rejections - 35 USC § 103*

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-21 are rejected under 35 U.S.C. 103(a) as being unpatentable over Brown (Carolyn M Brown. "Using your PC to manage your finances." Black Enterprise. New York: Jul 1997. Vol.27, Iss.12; pg. 103 (5 pages)) in view of Claus et al (hereinafter Claus, 5,857,079).

Re Claim 1: Brown discloses a method for managing finances in an automated fashion comprising:

- Establishing a plurality of virtual accounts overlaid upon at least one actual financial account (See pages 2-3; accounts are created for such things as mortgage, utilities, food and entertainment and are linked through a computer to a bank)
- Debiting or crediting the allocated fund amount according to the transaction allocated to the participant account and from the actual financial account (see pages 2-3, the software allows for electronic check payment, thereby debiting the appropriate virtual accounts individually, while simultaneously reconciling the underlying account at the bank)

Brown does not explicitly disclose the steps comprising:

- Allocating a given amount of funding for each of the plurality of accounts
- Allocating transactions to an account selected from the plurality of accounts

Regarding the step of allocating an amount of funding for each of the plurality of accounts, this step would be obvious to anyone skilled in the ordinary art at the time of invention because Brown is disclosing the use of a budgeting software program. The purpose of creating a budget is to create a set of categories with associated limits on the amount of expenditures for each of said categories. Without this allocation of resources, there would be no way to know if the user is under or over budget, because there was no budget set to begin with. This step was notoriously well known in the art at the time of invention and would have been obvious to anyone of ordinary skill as a way to track overall expenditures over a variety of categories. Brown also hints at this step in disclosing the step of "comparing actual expenses with budgeted expenses (page 2)." The "budgeted expenses" would represent an allocation.

Furthermore, Claus discloses a smart card for automatic financial records wherein expenses related to individual transactions can be categorized and allocated at the time they are incurred (see abstract). Essentially, when a person makes expenditure, this information is entered into the smart card, which is further linked, to a software program on a computer (Column 2, lines 15-25 and Column 3, lines 21-52). The system can then proceed to allocate this expenditure to the appropriate account. It would have been obvious to anyone of ordinary skill in the art at the time of invention to include the teachings of Claus to the disclosure of Brown so that a user could have a

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quick and easy way to electronically record and allocate transactions to the appropriate accounts instead of having to manually enter information from printed receipts or records.

**Re Claim 2:** Brown in view of Claus discloses the claimed method *supra* but does not explicitly disclose the step of determining a balance with each of the plurality of virtual financial accounts. However, the point of establishing a budget is to categorize expenditures, set a goal for expenditures not to be exceeded for each category and then track the progress toward achieving this goal over the course of a specified time period. This process is notoriously well known in the art, and the further step of determining a balance would further be obvious as a way to track expenditures over a period of time to see if the user of the system is on track to achieve the goal or perhaps needs to reign in expenditures relative to a certain category. This step also aids in future budgeting practices to see if the original expenditure limits were either too high or too low for any particular category.

**Re Claim 3:** Brown in view of Claus discloses the claimed method but does not explicitly disclose the step of displaying the balance of an account after a transaction allocation and debit or credit of the transaction. However Brown does note that each expense incurred is recorded in the software and classified into a certain category (page 2, paragraph 4) and then these expenditures are compared to the budgeted expenses and computes the discrepancy. It would be obvious to anyone skilled in the ordinary art at the time of invention to conclude that this step of "computing the discrepancy" is the same as determining a balance. The user would see how much is spent relative to how

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much is budgeted and determine if there is any more room for expenditures in that particular category. From there they either reign in the expenditures or readjust the budget.

**Re Claim 4:** Brown in view of Claus discloses the claimed method supra and while not explicitly disclosing the step of distinguishing between transactions that have cleared in real time through the actual financial account and those that have not within each of the plurality of virtual financial accounts, this step would have been obvious to anyone of ordinary skill at the time of invention. Since Brown notes that the software program is linked through a computer to a financial institution (end of page 2- page 3), it would be obvious then by viewing the balance in the underlying account versus the balances from the virtual accounts if certain expenditures have or have not been cleared. This is essentially an electronic version of balancing a checkbook, which is notoriously well known in the art as a means to reconcile financial accounts.

**Re Claim 5:** Brown in view of Claus discloses the claimed method supra but does not explicitly disclose the step of displaying transaction information of a selected allocated transaction within one of the virtual accounts, however Brown does note that users of the system input all their individual expenses into certain categories. It would have been obvious to anyone skilled in the ordinary art at the time of invention to allow for the display of these individual transactions in case a particular transaction needs to be recalled for a particular reason. For instance there could be a discrepancy between the amount debited from the real account versus the amount debited the virtual account that would need to be reconciled in order to maintain accuracy. Furthermore it would

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provide an even better breakdown of expenditures and allow the user to make adjustments on expenditure within a particular category itself and not just on the category as a whole.

**Re Claim 6:** Brown discloses a method for managing financial resources in an automated fashion comprising:

- Establishing a plurality of virtual financial accounts overlaid on actual accounts (See pages 2-3; accounts are created for such things as mortgage, utilities, food and entertainment and are linked through a computer to a bank)

Brown does not explicitly disclose the steps of

- Allocating a given amount of funding for each of the plurality of virtual accounts and
- Allocating transactions in real time to the appropriate virtual accounts so that individuals in remote locations may view the accounts and coordinate purchases

Regarding the step of allocating an amount of funding for each of the plurality of accounts, this step would be obvious to anyone skilled in the ordinary art at the time of invention because Brown is disclosing the use of a budgeting software program. The purpose of creating a budget is to create a set of categories with associated limits on the amount of expenditures for each of said categories. Without this allocation of resources, there would be no way to know if the user is under or over budget, because there was no budget set to begin with. This step was notoriously well known in the art

at the time of invention and would have been obvious to anyone of ordinary skill as a way to track overall expenditures over a variety of categories. Brown also hints at this step in disclosing the step of "comparing actual expenses with budgeted expenses (page 2)." The "budgeted expenses" would represent an allocation.

Claus discloses a smart card for automatic financial records wherein transactions are allocated in real time to the appropriate virtual accounts by means of a smart card containing account information (Column 3, lines 22-52). It would have been obvious to anyone skilled in the ordinary art at the time of invention to include the teachings of Claus to the disclosure of Brown so that transactions are recorded and reconciled as quickly as possible to prevent possible accounting errors. As Brown notes, many people have joint accounts from which both parties can draw funds (bottom page 3- page 4), such as married couples and a joint checking account. By instantaneously recording transactions, it will be less likely that a couple will over draft their account or make duplicate purchases because they will have real time information about the other's purchases and therefore the overall balance of their accounts.

**Re Claims 7-10:** These claims contain essentially the same dependent limitations of previously rejected claims 2-5 and are therefore rejected using the same art and rationale.

**Re Claims 11-21:** Further apparatus claims would have been obvious to perform the previously rejected method claims 1-10 and are therefore rejected using the same art and rationale.

### ***Conclusion***




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Any inquiry concerning this communication or earlier communications from the examiner should be directed to Timothy M. Harbeck whose telephone number is 571-272-8123. The examiner can normally be reached on M-F 8:30-5:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Hyung S. Sough can be reached on 571-272-6799. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

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HYUNG SOUGH  
SUPERVISORY PATENT EXAMINER  
TECHNOLOGY CENTER 31